GOVERNMENT OF INDIA
COAL AND MINES
LOK SABHA

UNSTARRED QUESTION NO:2406
ANSWERED ON:30.07.2002
AGENCIES INVOLVED UNDER CIL
RAVINDRA KUMAR PANDEY

Will the Minister of COAL AND MINES be pleased to state:

(a) the details of agencies engaged by the Coal India Limited and its subsidiaries to study the problems and suggest measures for the revival/rehabilitation of Eastern Coal Fields Limited, BCCL and CCL during the last three years and current year;

(b) the charges borne/paid by the CIL and its subsidiaries to these agencies; and

(c) the details of recommendations made by Investigating Agencies for the revival/rehabilitation of the said companies ?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES AND MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI RAVI SHANKAR PRASAD)

(a): Coal India Limited (CIL), the holding company, had engaged Industrial Credit & Investment Corporation of India Limited (ICICI) to suggest measures for revival of Eastern Coalfields Limited (ECL) and Bharat Coking Coal Limited (BCCL). CIL had also engaged Industrial Development Bank of India (IDBI) for suggesting revival plans for Central Coalfields Limited (CCL).

(b): An amount of Rs. 65.37 lakhs and Rs.7 lakhs have been paid to ICCI as consultancy fee in respect of ECL and BCCL respectively. In addition, Rs. 15.18 lakhs have been paid towards out-of-pocket expenses for both ECL and BCCL. In respect of CCL, Rs 15 lakhs have been paid to IDBI as consultancy fee. Also an amount of Rs. 4.51 lakhs has been paid towards out-of-pocket expenses.

(c): The main recommendations of ICICI in respect of ECL were i) Taking over of current liabilities of Rs. 1156.48 crores by Government of India. ii) Conversion of CIL loans of Rs. 615.57 crores into equity. iii) Segregation of Group IV areas and their transfer to Government of India; with Government of India announcing its plan for closure of these mines. iv) Invitation of private sector participation in residual ECL. v) Implementation of initiatives to improve viability of residual ECL in interim period through exploring possibility of. In respect of BCCL the report of ICICI has not been received in the Department of Coal. In case of CCL the recommendations of IDBI have been received recently which, inter-alia, include recommendations for closure of unviable mines, merger of area offices, revitalisation of washeries conversion of loan in to equity and accumulated loans to be written off etc. The entire matter is under consideration of the Coal India Limited.